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AGRICULTURAL COOPERATION

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COOPERATIVE MARKETING BY WHEAT POOLS

Large-scale cooperative wheat marketing associations, frequently called wheat pools, handled a slightly larger quantity of wheat last year than in the preceding season, according to a preliminary estimate made by the U. S. Department of Agriculture. The estimate for the nine associations which were active is 17,500,000 bushels, compared with 16,800,000 bushels for the 1925-26 season, and 27,900,000 bushels for the 1924-25 season when ten large-scale wheat marketing associations were functioning. The percentage of the total wheat crop marketed through these statewide or regional pools has varied from 1.4 per cent for the wheat crop of 1921 to 3.4 per cent for the crop of 1923.

The number of associations active for each marketing season, the estimated number of bushels of wheat handled, and the percentage of the total crop handled through these pools, is given in the table below:

Marketing season	Active associations (Number)	Wheat marketed by pools (Bushels)	Per cent marketed by pools
1921-22	3	11,400,000	1.4
1922-23	11	21,900,000	2.5
1923-24	12	27,100,000	3.4
1924-25	10	27,900,000	3.2
1925-26	9	16,800,000	2.5
1926-27	9	17,500,000	2.1

The decrease in quantity handled in 1926-27, compared with some of the earlier years, is largely due to the short crop in 1926 in several of the spring wheat states, particularly South Dakota, North Dakota, and Minnesota.

The grain handled by the wheat pools represents only a small part of the grain marketed cooperatively. Approximately 4 000 farmer-controlled local grain elevators receive and forward wheat to market, operating in a majority of cases upon a cooperative basis. There are also a number of sales agencies in the terminal grain markets which are handling grain on a cooperative basis for groups of farmers and for individual farmers.

MORE GRAIN THAN EVER HANDLED BY MICHIGAN EXCHANGE

Sales by the Michigan Elevator Exchange, Lansing, for the year ending June 30, 1927, amounted to approximately \$8,000,000, according to a recent report by the management. Practically a million more bushels of grain than ever before was handled, and at the close of the business year the organization had a net worth of about \$120,000, including an undivided patronage refund of \$43,874.

This organization, which is a federation of local associations for marketing grain and dry beans, began business October 20, 1920, with 23 member units and \$4,600 of working capital. By June of the following year its membership had increased to 90 units, and a year later there were 102 member units. Its development is shown in the following table:

Year ending June 30	Number of member associations	Capital	Surplus or deficit
1920*	23	** \$ 4,600	- - - -
1921	90	** 10,950	*** \$ 7,403
1922	102	** 15,540	7,143
1923	93	** 16,820	17,868
1924	91	** 17,030	18,048
1925	62	# 40,100	## 17,149
1926	70	# 40,900	## 34,260
1927	71	# 60,100	## 59,874

* Began business Oct. 20. # Outstanding capital stock.
 ** Working capital ## Reserve and undivided
 ***Deficit. patronage refund.

Much of the business of the last few years has been the selling of dry beans for local associations in bean producing sections. Two years ago a plant for conditioning beans was acquired and a special company organized for the ownership and management of the enterprise. The exchange leased this plant in the spring of 1927 and operated it for the closing months of the 1926-27 business year, handling an average of four cars of beans a day, drying, polishing, picking, shipping, and selling the product.

The report states that the plans for establishing bean marketing upon a pooling basis were not developed the past season due to the short crop of wet beans. Plans for the pool are being held in abeyance pending favorable conditions.

FLORIDA ASSOCIATION MARKETS TOMATOES

Owing to intense competition from Mexico, the past year was a strenuous one for the Florida East Coast Growers' Association, Miami, Fla. This association is engaged largely in marketing the fruits and vegetables of the east coast of Florida, specializing in tomatoes.

The income of the organization for the 1926-27 year was \$36,227 and operating expenses amounted to \$28,881. The assets of the association at the close of its business year were \$99,210. The association had a net worth of \$97,516 consisting of a retaining fund of \$42,955 and an operating fund of \$54,561.

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WASHINGTON ASSOCIATION MARKETS FRESH FRUITS

Gross operating expenses of the Wenatchee District Cooperative Association, Wenatchee, Wash., amounted to \$134,432, according to the auditor's report dated July 12, 1927. Earnings amounted to \$17,552, leaving the net operating expense of the central association \$116,879. Expenses of the 16 affiliated units came to \$61,667, making a consolidated total of \$178,547.

Real estate, buildings and equipment of the association are inventoried at \$152,357. Additions to their property to the amount of \$15,206 have been made during the year by ten of the units.

Supplies handled for members cost \$486,489 and were sold for \$500,463, a gain of \$13,973. These supplies included apple boxes, pear boxes, peach boxes, cherry lugs, crates, pads, wraps, labels, paste, various kinds of insecticides, fertilizers, etc.

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WASHINGTON APPLE ASSOCIATION MAKES REFUND TO GROWERS

Gross sales for the Yakima Fruit Exchange, Yakima, Wash., for the 1926-27 season were \$299,143. A total of 257,079 boxes of apples were handled for the member units. Commissions on sales for the year amounted to \$18,182 and expenses of operating the Exchange to about \$13,000. A refund of \$5,141 was made to the member units at the close of the business year.

The average sales price per box for the season was \$1.1636 and the average net return to the grower, 96.41 cents, or 83 per cent of the sales price. The per-box expense of selling was made up of the following items: cold storage, 7.25 cents; sales office, 4.26 cents; "Brogdexing," 3.78 cents; brokerage, 2.64 cents; miscellaneous expense, 2.02 cents; total, 19.95 cents.

This organization began operating July 15, 1924. The first season it marketed 132,401 boxes of apples, and the second year about 150,000 boxes.

CALIFORNIA LIMA BEANS TO BE WIDELY ADVERTISED

In order to stimulate interest in lima beans and create a better demand, the California Lima Bean Growers' Association, Oxnard, Calif., is undertaking a comprehensive advertising campaign. Advertisements of an educational nature with an appeal to the appetite will be carried in ten of the national women's magazines from September through April. Each advertisement will include two or more tested recipes and will notify readers that they can secure a free recipe book containing scores of recipes for preparing lima beans.

Supplementing the magazine advertisements, a series of circulars will be distributed to brokers and jobbers at regular intervals for some months; a sales letter will be sent to the principal wholesale and retail grocers of the United States early in September, and space will be taken in grocery trade papers to call attention to the national advertising campaign for California lima beans, regular and baby limas, as a year-round vegetable.

The 1926 California crop of regular limas was about 1,250,000 bags, of which the association handled about two-thirds. The crop of baby limas was 580,000 bags, of which the association handled one-third.

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COLORADO PINTO BEAN GROWERS BUILDING AN ORGANIZATION

Starting business with 11 members in September of 1925, the Colorado Bean Growers' Association, Denver, grew to 350 members in 1926, and 1,500 in 1927, according to the second annual report of the manager. Nine cars of beans were shipped the first year, and 80 cars in the 1926 pool. With this increase in business the management is working to build up a sound system of distribution and to adopt policies which will secure the confidence and support of buyers.

As the necessity for putting out clean beans was evident, plans were made for cleaning, grading and sacking beans this season on the farms of members by means of the portable bean grader. Another problem before the association is that of meeting the growing demand for mixed cars. This will necessitate assembling beans of other kinds from the various states in which they are produced, to make up cars. Efforts are also being directed toward stabilizing the market for pinto beans which is subject to wide fluctuations.

In order to meet the demand for better cleaned beans, the demand for mixed cars, and to reduce handling charges, the association found it necessary to set up a subsidiary company, the Colorado Bean Growers' Warehouse Corporation, with an authorized capital of \$50,000 in preferred stock and \$50,100 in two classes of common stock.

A payment on 1926 beans, varying from 60 cents to \$1 per hundred according to quality, has been authorized.

COOPERATIVE MARKETING OF POULTRY PRODUCTS

Poultry products valued at more than \$40,000,000 were marketed by 67 farmer-owned associations during 1926. Egg sales are estimated at \$30,000,000, live poultry sales at \$4,350,000 and dressed poultry sales at \$6,200,000. The 67 associations served 55,000 farmers.

Most of the 67 associations were engaged in more than one activity: 56 handled eggs; 37, live poultry; and 24, dressed poultry. Five associations were engaged in the cooperative marketing of eggs for hatching and two in the sale of baby chicks. Four of the associations handled turkeys and one association specialized in ducks. Two of the associations were primarily organizations for the cooperative marketing of dairy products, but in addition marketed large quantities of eggs for their members.

The associations marketing eggs received from their members 3,090,000 cases, more than 90,000,000 dozens. About 68 per cent of all the eggs marketed cooperatively were handled by 14 associations located in the Pacific Coast states. Twenty-eight per cent of the total quantity was handled by a single California association and 24 per cent by a Washington (state) cooperative. Among the other states with cooperatives handling large quantities of eggs were: Missouri, 9 associations, about 20 per cent of the total marketed cooperatively; Utah, 1 association, 3.7 per cent of total; Minnesota, 8 associations, 2.4 per cent of total.

Live poultry was marketed by 37 associations which report the handling of 20,000,000 pounds, including turkeys and ducks. These associations were located in 15 states. Among the states from which considerable live poultry was shipped were Missouri, New York, California and Minnesota. Nine Missouri organizations handled 63 per cent of the total quantity marketed cooperatively; one New York association marketing ducks handled 16 per cent of the total; 3 California associations, 7.7 per cent; and 8 Minnesota associations, federated for marketing purposes, handled 5.5 per cent.

Nearly 63 per cent of the 20,400,000 pounds of dressed poultry marketed cooperatively was handled by an association of large-scale duck farmers located on Long Island. Six Missouri associations marketed 18 per cent of the total quantity credited to the cooperatives and a Washington association 9 per cent. Turkeys shipped by an association in Idaho constituted 5.5 per cent of the total.

The two sales agencies handling poultry products during 1926 for local egg and poultry marketing associations sold nearly one million cases of eggs and several million pounds of poultry.

Besides the organizations in the United States there are three active cooperative poultry and egg marketing associations in the Prairie provinces of Canada, one each in Manitoba, Saskatchewan and Alberta. These associations marketed in 1926 a total of 89,092 cases of eggs valued at more than \$700,000, also 335,490 pounds of live poultry and 1,500,000 pounds of dressed poultry.

Most of the associations engaged in the cooperative marketing of poultry and eggs have been formed since 1920. Ten associations for which

definite information has been collected by the U. S. Department of Agriculture were formed prior to 1920 and 73 since the beginning of that year. The two oldest associations listed by the Department were both organized in 1910. A third association was formed in 1913, a fourth in 1914, and a fifth in 1915. Eighteen associations were formed in 1924, 13 in 1921 and the same number in 1923. Ten associations were started in 1925 and 4 in 1926.

The development which has taken place in the cooperative marketing of poultry and eggs since 1920 is indicated by the following table based on associations listed by the Department of Agriculture:

Year	Total number*	Marketing Eggs**	Marketing poultry		Eggs for hatching	Baby Chicks
			Live***	Dressed***		
1920	10	10	1	--	--	--
1921	18	18	3	1	--	--
1922	26	26	6	2	--	--
1923	34	32	10	3	--	--
1924	61	55	30	5	2	2
1925	72	66	37	21	2	2
1926	67	56	37	24	5	2

* Including ten associations which had reported for one or more of the earlier years but were "out of business" in 1926.

** Including large-scale dairy marketing associations also handling eggs cooperatively.

*** Including associations marketing turkeys and ducks.

The increase in the quantity of eggs handled by cooperative agencies since 1920 is shown below:

Year	Active associations *	Estimated volume of business		
		Cases of eggs		Sales value
		(Number)	(Relative)	
1920	10	740,000	100	\$11,130,000
1921	18	1,260,000	170	13,360,000
1922	26	1,430,000	193	13,270,000
1923	32	1,790,000	242	16,350,000
1924	55	2,220,000	300	22,460,000
1925	66	2,780,000	376	29,000,000
1926	56	3,090,000	418	30,000,000

* Including four cooperatives engaged primarily in the marketing of dairy products but also handling large quantities of eggs on a cooperative basis.

WISCONSIN CREAMERY COMPLETES TWENTY-TWO YEARS

For more than twenty-two years the Baldwin Cooperative Creamery Association, Baldwin, Wis., has been converting butterfat into butter and marketing the butter for the benefit of its patrons. Nearly 20 million pounds of butter have been produced and sold at a minimum of expense. Patrons have received from 91 per cent to 94 per cent of the sales value of the finished product. A new building was erected about 1913 and paid for within a period of about five years. Some years dividends have been paid on the outstanding capital stock and some years patronage refunds have been made.

The association was formed in 1904. It was incorporated as a capital stock organization with enough stock issued to furnish the necessary capital. By 1915 there was capital stock outstanding to the amount of \$8,200. By the close of 1920 the capital stock liabilities had been increased to \$31,315, and by 1926 to \$44,751. Stockholders during recent years have numbered about 300.

The steady growth of the enterprise is indicated by figures compiled from the annual reports on file in the Department of Agriculture.

Year	Butter made	Butter sales	Paid patrons*	Per cent of butter sales paid patrons
	(Pounds)			
1912	874,310	\$257,880	\$236,496	91.7
1913	948,540	288,820	267,478	92.6
1914	974,422	278,073	253,908	91.3
1915	1,049,323	287,092	263,733	91.9
1916	1,050,427	336,193	309,593	92.1
1917	963,375	394,002	367,505	93.3
1918	** 963,000	470,798	438,747	93.2
1919	1,098,003	630,139	591,628	93.9
1920	1,153,525	670,643	631,833	94.2
1921	1,388,670	549,456	507,718	92.4
1922	1,558,636	598,018	554,434	92.7
1923	1,607,964	708,082	664,139	93.8
1924	1,696,591	682,489	640,047	93.8
1925	1,694,295	728,208	683,285	93.8
1926	1,761,039	730,706	-----	----

*Does not include patronage refunds. ** Estimated.

The association gathers the cream from the patrons, the collecting being the heaviest item of expense. During recent years it has been marketing its butter through the Land O'Lakes Creameries, Inc., Minneapolis, and has received patronage refunds from that organization.

MISSOURI COTTON ASSOCIATION TO HAVE SHORT-TIME POOLS

A new marketing contract was adopted by the board of directors of the Missouri Cotton Growers' Cooperative Association, New Madrid, Mo., on June 16. This new marketing agreement will give the members the benefit of the short-time pools to be established by the Arkansas Cotton Growers' Cooperative Association which serves as a selling agency. Provision is also made in the new contract for a withdrawal period each year.

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MISSISSIPPI COTTON GROWERS APPROVE NEW SELLING PLAN

More than 250 new members have been added to the rolls of the Mississippi Farm Bureau Cotton Association, Jackson, during the present campaign, thereby increasing the prospective quantity of cotton to be delivered by 8,300 bales. Two of the new members raised 2,000 bales of cotton last year; several others have contracted to deliver 200 bales each; others, 100 bales; and a number have contracted 50 bales.

This increase in membership, which is coming from every section of the state, is considered as an evidence of favorable sentiment for the system of allowing the grower a choice of pools in which his cotton shall be sold.

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REFUNDS TO NORTH CAROLINA COTTON GROWERS

Nearly half a million dollars of the reserve fund of the North Carolina Cotton Growers' Cooperative Association, Raleigh, will be refunded to the membership beginning September 1. This reserve represents one per cent deductions of the sales value of the 1923, 1924, and 1925 crops marketed through the association. The deduction in connection with the 1922 crop has been returned already, and the deduction from sales of the 1926 crop will be made about March 1, 1928. The return of the 1926 deduction will complete the transactions conducted under the 5-year marketing contract which became effective in the fall of 1922.

The 1927 crop will be the first to be marketed under the new 10-year contract. The board of directors has approved a budget representing a cut of more than \$100,000 under the expenses of 1926-27. Salaries, rents, and miscellaneous expenses have been reduced, and the office force cut by the installation of labor-saving machinery.

The per-bale cost of marketing has been reduced from \$8.10 for the 1922 crop, to about \$4.30 for the 1926 crop. As a result of the economies now being instituted, the management expects to handle the cotton of the forthcoming crop at even a smaller cost per bale than the 1926-27 figure of \$4.30.

COOPERATIVE COTTON MARKETING IN NORTH CAROLINA

Facts and figures for five years of cooperative cotton marketing in North Carolina have been compiled and issued in the form of a folder by the management of the North Carolina Cotton Growers' Cooperative Association, Raleigh, under date of August 1, 1926. The business year now closing completes the five years covered by the marketing contract signed by the cotton growers in 1922, which was the basis of the present organization formed on August 1 of that year.

Among the achievements claimed by the management for the five years of activity are: the reduction in the per-bale operating costs and carrying charges from \$8.10 to \$4.30; a reduction in interest rate on money borrowed for advances to the growers from 6 per cent to $4\frac{1}{2}$; a reduction in storage and insurance charges from 50 cents to 35 cents a bale; the elimination of country damage on cotton produced by members of the association; the institution of the practice of paying a premium on cotton grading better than middling and of longer staple than $7/8$ of an inch; establishment of the habit of producing a better type of cotton; and the development of a direct-to-mill and export business which includes 72 per cent of the cotton handled by the association.

During the five years the association has handled for its members more than 600,000 bales of cotton, with a sales value of nearly \$90,000,000, as will be noted by the following figures:

Marketing season	Bales received	Sales value	Costs per bale*	Cumulative reserve
1922-23	**135,912	\$18,286,000	\$8.10	***\$253,910
1923-24	130,853	18,375,000	7.81	384,815
1924-25	116,472	17,155,000	5.87	534,229
1925-26	161,158	14,471,000	5.53	500,238
1926-27	119,970	- - - - -	4.30	672,075

* Operating costs and carrying charges.

** Including cotton of the 1921-22 crop.

***Returned to members.

Working capital has been obtained in part by deductions from gross sales, considered as loans from members at 6 per cent interest. The deductions for the first season, amounting to more than a quarter million dollars, have been returned to the growers.

A new marketing contract has been drafted to take the place of the one which expires with the completion of the marketing of the 1926-27 crop. All cotton is to be sold and settled for on the basis of middling with premiums for better than middling or staple longer than $7/8$ inch.

PRACTICAL SUGGESTIONS FOR LIVESTOCK COMMISSIONS

Mimeographed copies of an address entitled "Standard Efficiency for Cooperative Livestock Commission Associations" are available for distribution. In this address efficiency in the livestock commission business is defined as "a rendering of the maximum of necessary service with the greatest possible economy of operation." Numerous suggestions for practical ways of rendering maximum service at a minimum of expense are made. Copies of the address may be obtained upon request to the Division of Cooperative Marketing, U. S. Department of Agriculture, Washington, D. C.

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COOPERATIVE COW SALE IN OHIO

A new line of service was rendered recently by the Cooperative Pure Milk Association, Cincinnati, Ohio, when it held a cooperative cow sale at Hamilton. Three car loads of Holstein, Guernsey and Jersey cows were brought in and put up at auction to the highest bidders. Indiana and northern Wisconsin had been scoured to secure desirable animals. Eighteen Holstein cows, 24 Guernseys, 14 Jerseys, and 12 Guernsey heifers were sold. The average sale price for these dairy cattle was about \$160.

These sales are a part of the program being carried out by the association in an effort to secure an increased quantity of milk for meeting the fall demand.

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SIX MONTHS OF LIVESTOCK SALES AT SOUTH ST. PAUL

In the first six months of 1927 the Central Cooperative Association, South St. Paul, Minn., handled 9,823 cars of livestock. Figures for the corresponding period in 1925 were 9,440 cars, and in 1926, 10,044 cars. Percentage of total market receipts handled by the Central Cooperative Association, as reported by the management, were: 26.5 per cent for the first six months of 1925; 27.8 per cent for the first half of 1926, and 31.6 per cent for the first half of 1927.

During the month of June, 1927, the association handled 1,560 cars of livestock, compared with 1,350 in June of 1925, and 1,739 in June of 1926.

Net earnings for the first six months of 1927 are reported as \$50,000. A large part of this amount will be returned eventually to shippers as a patronage refund.

SOUTH DAKOTA ASSOCIATION SELLS SEED FOR MEMBERS

During the 1925-26 year the Western South Dakota Alfalfa Seed Growers' Exchange, Rapid City, S. D., handled 795,471 pounds of seed for its members at a cost of 2.5 cents a pound. Seeds handled included S. D. No. 12, Grimm, Cossack, Hardigan and Baltic alfalfa, and white and yellow sweet clover. Total expense for the year was \$19,884. After paying a stock dividend of \$886, the sum of \$8,824 was returned to members as a patronage refund. At the close of the business year capital stock amounted to \$6,060; surplus to \$2,227; depreciation reserve to \$1,620; and the educational fund to \$131.

This association which was formed in 1921 serves nearly 400 seed growers. For the marketing season of 1922-23 it received nearly 300,000 pounds of seeds from its member growers. Sales for the 1923-24 marketing season were \$125,000 and for the 1924-25 season, \$175,000.

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LOUISIANA RICE ASSOCIATION ACCUMULATES RESERVE

At the close of its fourth year of activity the River Farm Bureau Rice Growers' Cooperative Association, Baton Rouge, La., had reserves amounting to \$27,693. These had been accumulated by a small deduction from the returns due members.

This association was formed in the summer of 1923 under Farm Bureau leadership. It is engaged in receiving and preparing for market the rough rice produced by its fifty-odd members. During the last three years rice has been milled to the amount of 364,896 barrels. Growers have received from 83 to 86 per cent of the gross selling price. The cost of milling has varied from 75.759 cents a barrel for the small crop of 1925 to 73.689 cents for the large crop of 1926.

The activities of the association for the past three years are indicated by the figures below:

Market season	Barrels milled	Gross income	Paid members		Cumulative reserve
			Amount	Per cent	
1923-24	-----	-----	\$-----	---	\$ 5,860
1924-25	122,263	650,833	550,907	85	13,615
1925-26	91,888	541,689	463,757	86	20,932
1926-27	150,745	675,031	557,198	83	27,693

REPORTED BY THE ASSOCIATIONS

Local councils of the United Farmers of Canada, Saskatchewan Section, Ltd., have been formed at 45 points during the last few months and consideration is being given to the formation of councils at 18 other points.

An office building capable of housing a force sufficient to handle a cotton delivery of 150,000 bales, is being erected for the South Carolina Cotton Growers' Cooperative Association, Columbia. The building was designed and located to meet the needs of the association and to make possible a reduction in operating expenses.

Members of the Texas Farm Bureau Cotton Association, Dallas, gained \$26,632 during the 1926-27 marketing season from the sale of cotton samples. This is viewed as a clear gain as under the non-cooperative method of marketing the grower loses the value of the cotton in the various samples taken from the bales he offers for sale.

A shipment of 7,139 bales of cotton, received by the Texas Farm Bureau Cotton Association, Dallas, after the seasonal pool was closed on March 8, was handled in a post-season pool. Settlement has now been made for this cotton and checks to the amount of \$118,725 have been distributed to the shippers, most of whom live in the Pan Handle region of the state.

An association for the cooperative marketing of honey is being formed in the state of Washington. Beekeepers of two counties have already pledged to deliver 175 tons of honey. It is estimated that the association will begin business with approximately 400 tons of honey to market. It is proposed to establish a bottling plant and to put two brands of honey on the market.

News comes from Canada to the effect that the United Farmers' Cooperative Company, Ltd., Toronto, a recently organized association for the cooperative marketing of Ontario wheat, has decided to join with the wheat pools of Manitoba, Saskatchewan and Alberta in maintaining a central sales agency. It is announced that the provincial pools will have two representatives each on the board of directors of the central sales agency.

Two hundred twenty-three meetings are being held as a part of the summer educational program of the Saskatchewan Cooperative Poultry Producers, Ltd., Regina, Canada. Directors, delegates and officers of the association are addressing the meetings and giving authoritative information regarding the past and present activities, also information regarding the association's plans for handling live and dressed poultry this fall.

ONE OF SWITZERLAND'S LARGE COOPERATIVES

Basel, Switzerland, is said to be "the largest cooperative center in that country, and perhaps in continental Europe." Two large organizations having headquarters there are the Allgemeine Konsumverein (General Cooperative Society) and the Verband Schweizerischer Konsumvereine (Union of Swiss Cooperative Societies), the former a retail organization, and the latter a wholesale purchasing center. A recent consular report from Basel describes in some detail the General Cooperative Society of Basel, which was organized in 1865, largely because the ribbon factories of Basel had been forced to shut down as the Civil War in the United States had cut off the American demand almost entirely. The plan of a general cooperative society was resorted to as the best means of furnishing cheap food and other necessities to the unemployed.

Cooperation was already known to the Swiss people. For more than 100 years attempts had been made to organize to purchase foodstuffs and to encourage savings. The Helvetical Society was formed in 1761, and the Society for the Development and Encouragement of Public Welfare in 1777. From 1846 to 1860 a number of societies were formed by well-to-do citizens to supply corn and bread to the poor at low price. The most important of these also featured a savings bank and sick benefit fund.

Thus the way had been paved for the General Cooperative Society when the need arose in 1865. It was modeled after the Rochdale Society of England. Membership was open to all classes of people. Earnings were distributed to members in proportion to their patronage, after setting aside 10 per cent each year for a reserve fund. The society started business in June, 1865, with a membership of 212 and one store, by the end of 1866 three more stores and a bakery had been added. Opposition from retail dealers and dissension within the ranks made the first three years difficult, but a reorganization in 1869 resulted in rapid expansion and "since 1885, a period of more than 41 years, the history of the society has been one of uninterrupted progress." Figures showing the development of the society by decades, have been selected from the report:

Year	Number of members	Number of stores	Annual turnover (Francs)*	Dividends (Per cent)	Reserve fund (Francs)*
1866	555	4	181,021	14	1,710
1876	2,333	15	1,172,843	8	69,818
1886	5,412	20	2,347,233	6	133,860
1896	15,591	34	7,269,456	10	343,117
1906	28,538	87	16,403,008	8	864,389
1916	37,769	119	27,885,909	7½	1,888,007
1926	43,158	188	53,086,041	8	3,214,785

* Par value, 19.3 cents.

The 188 retail stores owned and operated by the society at the close of 1926 were classified as follows: grocery stores, 140; butcher shops, 34; shoe stores, 10; household furnishings, 3; department stores, 1. Real estate owned by the association was valued at \$2,984,566 on December 31, 1926.

The turnover for 1926 amounted to \$10,246,266, the largest in the history of the association. Sales by departments were as follows:

Groceries.....	\$2,742,930
Fruits and vegetables.....	546,391
Bakery.....	769,894
Wine.....	561,065
Beer.....	163,958
Dairy.....	2,351,180
Fuel.....	264,300
Mineral water.....	45,054
Footwear.....	378,785
Dry goods.....	376,110
Butcher shops.....	1,829,633
Household articles.....	<u>218,966</u>
Total.....	\$10,248,266

Seventy per cent of total sales were made to members and the remainder to nonmembers who are encouraged to patronize the stores. Net earnings for 1926 amounted to \$813,821, which sum was apportioned as follows: amortizations and endowments, \$202,868; reserve fund, \$34,749; rebates to members, \$574,286; carried forward to new account, \$1,919.

The dairying branch was established in 1884. In order to supply the best and purest milk for children the Society now operates five dairy farms, three of which it owns and the other two it leases. In 1926 the Society handled 19,600,000 quarts of milk, 266,240 bottles of sterilized milk, 167,520 bottles of cream, 1,707,000 pounds of butter, and 725,000 pounds of cheese.

In 1869, after an attempt to establish a wholesale society had failed, the General Cooperative Society of Basel undertook the purchase of goods for some of its sister societies on the basis of one per cent commission. This arrangement was kept up about 20 years until a wholesale society was finally formed, the Union of Swiss Cooperative Societies.

As the encouragement of savings is one of the main tenets of the Society, it opened a savings department some years ago. On December 31, 1926, this department carried on its books 16,539 individual accounts, representing deposits of \$2,183,550. Interest is paid at the rate of 4½ per cent. Members are also encouraged to purchase the bonds of the Society and the total bond issues of \$1,266,853 are practically all owned by members.

WASHINGTON COURT CONSIDERS EFFECT OF WAIVERS

The Wenatchee District Cooperative Association v. Thompson et al. was decided by the Supreme Court of Washington, May 6, 1927, 255 P. 918. The defendant contended that he was not bound by his contract because a paragraph thereof specified that the contract was not to become binding until the association had entered into contracts with a certain number of growers. The association apparently failed to enter into contracts with the required number of growers. The court held that, inasmuch as the defendant had signed a written waiver relieving it from the necessity of obtaining the specified number of contracts, its contract with the defendant was binding. In this connection the court said:

Having waived the provision of section 9 of the contract, Thompson's relations with the association were the same as if he had actually known at that time the fact that the required number of signers or subscribers originally intended had not been procured. He said in effect that he would accept the contract with section 9 eliminated, and, having thereafter dealt with the association by delivering his crop to it in the year 1921 to be handled under the contract, we think he is bound by it, and that the judgment appealed from should be and it is affirmed.

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PRODUCER-DEALER AGREEMENTS MAY BE VALID IN NEW YORK

On May 4, 1927, the appellate division of the Supreme Court of New York State, decided the case of Barnes v. Dairymen's League Cooperative Association, Inc., et al., 222 N. Y. S. 294, in favor of the association. The court affirmed the opinion of the referee appointed by the trial court in this case.

The 7th headnote of the opinion reads as follows:

Where a cooperative association of milk producers, organized under Membership Corporations law, section 13-a, controlling not more than 50 per cent of the fluid milk sold in New York zone under pooling contracts with its members, entered into agreements with distributors controlling not more than half of the New York market, requiring such distributors to purchase all their requirements from association, so far as association could meet such requirements, at prices based on four classes of uses to which milk was to be devoted, held, that agreements were valid and did not show unlawful combinations, monopoly, or restraint of trade, because nonmember producers were excluded from preferential market created by the agreement, either at common law or under penal law, section 580, or general business law, section 340, in absence of blacklisting, boycotting, or other unfair practices.

L. S. Hulbert.

LIQUIDATED DAMAGES AWARDED BY KANSAS COURT

In *Kansas Wheat Growers' Association v. Goering*, 256 P. 119, decided by the Supreme Court of Kansas, the association brought suit against the defendant, a member of the association, for the purpose of recovering liquidated damages of 25 cents per bushel for wheat sold by him outside the association. On the trial of the case the association introduced a number of witnesses, including the defendant, but the defendant introduced no evidence at all. Defendant in the lower court asked for a jury trial, which was denied him, and on appeal he assigned this denial as error. But the appellate court held that, inasmuch as the evidence entirely justified the judgment in favor of the association, it would have been proper for the trial court to instruct the jury to render a verdict in favor of the association, therefore the error did not justify a reversal.

With respect to the claim that the statute under which the association was organized was special legislation, the court said:

It is finally urged that the statute (R. S. 17 - 1601 et seq.) under which the plaintiff association was organized was special legislation, and thus at odds with section 17 of article 2 and section 1 of article 12 of the Constitution. We think not. The statute provides that twenty or more persons engaged in the production of agricultural products may organize a nonprofit corporation marketing association. The plaintiff was organized under its terms. Any number of similar groups of persons can do likewise. This is general legislation, not special; and the grant of such corporate power is similarly general, not special; and defendant's constitutional objections to the statute are so transparently ill-founded that they only require mention to import their own refutation.

With respect to the allowance of an attorney's fee, the court said:

So far as concerns the attorney's fee, it was authorized by the contract to which the defendant was a subscriber, and the amount allowed as a fee is not controverted.

L. S. Hulbert.

INSTITUTE OF COOPERATION CLOSES THIRD SESSION

At the close of the Third Summer Session of the American Institute of Cooperation, held at Northwestern University, June 20 to July 16, announcement was made that the next session would be held at the University of California, Berkeley, July 9 to August 4, 1928. Tentative plans provide for about ten days of sessions in the field, with opportunities to study the work of the California cooperatives from field and orchard through the processing plants.

The third session, closing July 16, was considered a profitable gathering. The attendance included individuals from 31 states, the Philippine Islands, 3 Canadian provinces, England, Ireland, India, Japan, Germany, Mexico and Poland. Representatives were present from nearly 160 cooperative associations in over 40 states. There were also representatives of 21 colleges and universities, 6 branches of the Federal Government, and 14 state departments.

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ANNUAL REPORT OF NEW YORK COOPERATIVE

Twelve small pages are sufficient for the management of the Consumers' Cooperative Services, Inc., 54 Irving Place, New York City, to tell the story of the growth of the enterprise and to set forth the policy of the board of directors for the 1927-28 year. The report is illustrated with pen drawings and graphs and printed in three colors, red, blue and black.

The association, which has completed seven years, operates four cafeterias, two food shops, and five little libraries. It also furnishes moral support for a credit union. During the seven years the membership has increased from 379 to 2,726; total business, from \$95,868 to \$474,658; net earnings, from \$5,672 to \$26,977; and annual refunds to patrons, from \$1,788 to \$6,624. On March 31, 1927, the reserve fund for extension of the business amounted to \$77,715.

The policies of the board of directors for 1927-28 are outlined. Consumers' cooperation is defined as an economic movement which aims at a system of production and distribution "owned and controlled by consumers and run by them in their own interest." The purpose of the organization is to give service to its members and in order to do this it is believed necessary that it possess a prosperous and growing business. All "the skill, efficiency and economy of enlightened competitive business" are to be employed. The board of directors are to be responsible for the wise execution of the trust reposed in them. Centralized executive and administrative power will be granted "only where responsibility for the results will fall directly upon the person exercising that power." Democratic methods are to be considered a means to an end. Education will be carried on with members, customers, and the general public. Fair and just treatment is assured employees; wages and working conditions are to be made as favorable as possible.

REPORT ISSUED ON COOPERATIVE WOOL MARKETING

A preliminary report on the "Cooperative Marketing of Wool, 1920-1926," prepared in the Division of Cooperative Marketing, succeeds a similar report issued in July, 1925. The material is presented under the following subheadings: Beginnings of cooperative wool marketing, Development of large-scale or regional associations, Sales agencies for marketing wool, General statistics. The report is illustrated with a map showing the location of the various kinds of associations which were actively engaged in the marketing of wool in 1926. Requests for copies of this report should be addressed to the Division of Cooperative Marketing, U. S. Department of Agriculture, Washington, D. C.

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PRELIMINARY REPORT TELLS OF EARLIEST DAIRY FACTORIES

A historical sketch bearing the title "Beginnings of Cooperative Dairy Organization," calls attention to some of the earliest attempts at cooperation in the United States. The first cheese and butter factories of which mention has been found are cited, with such details as are available regarding their purposes and methods of operation. Types of organization are discussed, and the earliest form of agreement found is presented. Figures are given showing the growth of the factory system and its present status. The paper is issued as a preliminary report. Copies may be procured from the Division of Cooperative Marketing, U. S. Department of Agriculture, Washington, D. C.

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MARKETING ATTITUDES OF MINNESOTA FARMERS

"The Marketing Attitudes of Minnesota Farmers" are considered in Technical Bulletin 45, of the University of Minnesota, Agricultural Experiment Station. The introduction states, "The purposes of this study were to discover the attitudes of the farmers of Minnesota toward marketing problems, and particularly toward cooperation; to discover the genesis of these attitudes, and to point out their significance in programs of organization and education in the field of marketing." Nine communities were selected for the study and about 40 farmers in each community were interviewed. The work was done in cooperation with the U. S. Department of Agriculture. Requests for copies should be addressed to the University of Minnesota, Agricultural Experiment Station, St. Paul Minn.

SELECTED LIST OF PUBLICATIONS AND ARTICLES

- Australian Wheat Pool Makes Large Gain in 1926-27 over 1925-26. The Wheat Grower, Grand Forks, N. D., July 15, 1927, p. 9.
- Benjamin, Earl W. Marketing Eggs Under Trade-Mark. Washcoegg, Seattle, Wash., July 9, 1927, p. 3.
- Colquette, R. D. The Creamery Co-ops: How the Dairy Farmers of the Prairie Provinces are Tackling the Cooperative Creamery Business. Grain Growers' Guide, Winnipeg, Man., July 15, 1927, p. 5.
- Cooperative Marketing Journal, Memphis, Tenn., July, 1927: Contents: V. P. Lee, Some Price Factors Which Cooperatives Must Consider; Frank T. Swett, California's Grape Car Plan; M. R. Benedict, Financial Organization of Cooperative Marketing Associations; A. J. McPhail, The Wheat Pool Movement; W. H. Settle, Relation of Field Service to the Success of Cooperative Marketing; L. R. Campbell, Group Life Insurance in Texas.
- Cooperative Societies as Regulators of Retail Prices. Monthly Labor Review, Washington, D. C., July, 1927, p. 63.
- Cooperative Threshing Agreement: Contract Covering Every Question Likely to Arise in the Conduct of the Business of a Cooperative Company. The Iowa Homestead, Des Moines, June 2, 1927, p. 17.
- Dorr, Carl. Shipping Livestock the Cooperative Way: A Chance for the Small Shipper. Successful Farming, Des Moines, Iowa, July, 1927, p. 26.
- How California Milk Producers Met a Problem. California Citrograph, Los Angeles, Calif., August, 1927, p. 358.
- International Economic Conference. The Part Played by Cooperative Organizations in the International Trade in Wheat, Dairy Produce, and Some Other Agricultural Products. Geneva, Switzerland. League of Nations -- International Labour Office, 1926, 46 p.
- New Cooperative to Market Everything. Pacific Rural Press, San Francisco, Calif., June 25, 1927, p. 817.
- Part Played by Agricultural Cooperative Organizations in International Trade. Monthly Labor Review, Washington, D. C., July, 1927, p. 64.
- Pierce, Dante M. The New Cooperative Bank Law. The Iowa Homestead, Des Moines, Iowa, June 2, 1927, p. 12.

IN THIS ISSUE

Grain:	Page
Cooperative marketing by wheat pools.....	297
More grain than ever handled by Michigan Exchange.....	298
Fruits and vegetables:	
Florida association markets tomatoes.....	299
Washington association markets fresh fruits.....	299
Washington apple association makes refund to growers.....	299
California lima beans to be widely advertised.....	300
Colorado pinto bean growers building an organization.....	300
Poultry products:	
Cooperative marketing of poultry products.....	301
Dairy products:	
Wisconsin creamery completes twenty-two years.....	303
Cotton:	
Missouri Cotton Association to have short-time pools.....	304
Mississippi Cotton Growers approve new selling plan.....	304
Refund to North Carolina Cotton Growers.....	304
Cooperative cotton marketing in North Carolina.....	305
Livestock:	
Practical suggestions for livestock commissions.....	306
Cooperative cow sale in Ohio.....	306
Six months of livestock sales at South St. Paul.....	306
Alfalfa:	
South Dakota association sells seed for members.....	307
Rice:	
Louisiana Rice Association accumulates reserve.....	307
Miscellaneous products:	
Reported by the associations.....	308
Foreign:	
One of Switzerland's large cooperatives.....	309
Legal:	
Washington court considers effect of waivers.....	311
Producer-dealer agreement may be valid in New York.....	311
Liquidated damages awarded by Kansas court.....	312
Education:	
Institute of Cooperation closes third session.....	313
Publications:	
Annual report of New York cooperative.....	313
Report issued on cooperative wool marketing.....	314
Preliminary report tells of earliest dairy factories.....	314
Marketing attitudes of Minnesota farmers.....	314
Selected list of publications and articles.....	315